

ND PUBLIC EMPLOYEES RETIREMENT SYSTEM  
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008

	June-08				March-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Fiscal YTD	FY07	6/30/2008	6/30/2008
LARGE CAP DOMESTIC EQUITY																				
Structured Growth																				
LA Capital	77,065,960	4.3%	4.2%	4.53%	73,410,326	4.0%	4.2%	-10.04%	78,118,500	4.0%	4.1%	-1.46%	78,156,517	4.0%	4.1%	0.41%	-6.96%	21.75%	8.22%	N/A
Total Structured Growth	77,065,960	4.3%	4.2%	4.53%	73,410,326	4.0%	4.2%	-10.04%	78,118,500	4.0%	4.1%	-1.46%	78,156,517	4.0%	4.1%	0.41%	-6.96%	21.75%	8.22%	10.32%
Russell 1000 Growth				1.25%				-10.18%				-0.77%				4.21%	-5.96%	19.04%	5.91%	7.32%
Structured Value																				
LSV	67,902,727	3.7%	4.2%	-7.66%	73,195,132	4.0%	4.2%	-9.62%	83,770,455	4.3%	4.5%	-5.88%	88,328,104	4.5%	4.5%	-1.07%	-22.29%	23.29%	3.56%	11.19%
Russell 1000 Value				-5.31%				-8.72%				-5.80%				-0.24%	-18.78%	21.87%	3.53%	8.92%
Enhanced Russell 1000 Index																				
LA Capital	62,623,065	3.5%	3.5%	1.30%	61,545,702	3.4%	3.5%	-10.61%	73,244,779	3.8%	3.8%	-1.46%	82,026,620	4.2%	4.2%	0.07%	-10.70%	20.43%	6.55%	9.03%
Russell 1000				-1.89%				-9.48%				-3.23%				1.98%	-12.36%	20.43%	4.81%	8.22%
Enhanced S&P 500 Index																				
Northern Trust	28,735,668	1.6%	1.8%	-2.97%	29,489,152	1.6%	1.8%	-9.42%	56,365,226	2.9%	3.0%	-4.64%	74,761,578	3.8%	3.9%	0.41%	-15.84%	19.26%	3.14%	6.72%
Westridge	64,340,533	3.5%	3.9%	-2.38%	65,635,580	3.6%	3.9%	-9.16%	72,623,311	3.7%	3.9%	-3.13%	97,533,975	5.0%	3.9%	2.15%	-12.25%	21.05%	4.94%	8.02%
Wells Capital	50,964,067	2.8%	3.0%	-4.58%	45,201,142	2.5%	3.0%	-21.06%	57,291,250	3.0%	3.0%	-12.97%	65,874,490	3.4%	3.0%	4.35%	-31.59%	30.71%	N/A	N/A
European Credit Management	31,242,581	1.7%	1.8%	1.25%	28,800,606	1.6%	1.8%	-20.15%	26,184,374	1.4%	1.4%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Prudential	35,629,135	2.0%	1.9%	6.15%	33,520,117	1.8%	1.9%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Franklin	30,226,096	1.7%	1.8%	-0.48%	30,155,034	1.6%	1.8%	-8.21%	52,665,425	2.7%	3.0%	-4.69%	55,343,565	2.8%	3.0%	-0.82%	-13.65%	N/A	N/A	N/A
Total Enhanced S&P 500 Index	241,138,080	13.3%	14.2%	-1.21%	232,801,631	12.7%	14.2%	-13.91%	265,129,587	13.7%	14.3%	-5.87%	293,513,609	12.1%	13.8%	1.61%	-18.66%	21.56%	2.40%	6.45%
S&P 500				-2.73%				-9.34%				-3.33%				2.03%	-13.12%	20.59%	4.41%	7.58%
Absolute Return Strategy																				
Epoch	33,634,544	1.9%	1.8%	1.41%	33,010,141	1.8%	1.8%	-5.87%	25,593,827	1.3%	1.4%	-2.47%	15,531,911	0.8%	1.4%	0.07%	-6.84%	N/A	N/A	N/A
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%			
S&P 500 Index																				
State Street	35,968,638	2.0%	2.1%	-2.27%	36,641,959	2.0%	2.1%	-10.66%	36,398,430	1.9%	2.1%	-5.73%	38,229,585	1.9%	2.1%	-0.66%	-18.23%	21.86%	2.99%	6.70%
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	7.58%
TOTAL LARGE CAP DOMESTIC EQUITY	518,333,014	28.6%	30.0%	-0.91%	510,604,891	27.9%	30.0%	-11.74%	562,255,578	29.0%	30.0%	-4.75%	595,786,347	30.3%	30.0%	0.71%	-16.11%	21.66%	4.22%	8.17%
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	7.58%
SMALL CAP DOMESTIC EQUITY																				
Manager-of-Managers																				
SEI	115,514,039	6.4%	7.2%	-0.34%	111,319,420	6.1%	7.2%	-12.91%	127,518,299	6.6%	7.2%	-6.55%	128,886,735	6.6%	7.2%	-4.34%	-22.41%	17.13%	1.06%	8.52%
Russell 2000 + 200bp				1.09%				-9.43%				-4.09%				-2.60%	-14.48%	18.76%	5.88%	12.50%
Callan	48,760,218	2.7%	2.8%	1.31%	48,243,664	2.6%	2.8%	-11.52%	54,595,286	2.8%	2.8%	-4.57%	56,890,194	2.9%	2.8%	-1.15%	-15.44%	21.00%	N/A	N/A
Russell 2000				0.58%				-9.90%				-4.58%				-3.09%	-16.19%	16.44%		
TOTAL SMALL CAP DOMESTIC EQUITY	164,274,257	9.1%	10.0%	0.17%	159,563,084	8.7%	10.0%	-12.50%	182,113,585	9.4%	10.0%	-5.95%	185,776,929	9.5%	10.0%	-3.38%	-20.36%	17.89%	2.11%	9.20%
Russell 2000				0.58%				-9.90%				-4.58%				-3.09%	-16.19%	16.44%	3.79%	10.29%
INTERNATIONAL EQUITY																				
Large Cap - Core																				
State Street	18,508,577	1.0%	1.0%	-1.03%	18,216,413	1.0%	1.0%	-9.37%	18,830,851	1.0%	1.0%	-4.46%	19,635,023	1.0%	1.0%	1.39%	-13.11%	27.82%	12.40%	14.27%
MSCI EAFE (1)				-2.25%				-8.91%				-1.75%				2.18%	-10.61%	27.00%	12.84%	14.86%
Large Cap - Active																				
Capital Guardian	57,191,268	3.2%	3.0%	-0.88%	53,842,611	2.9%	3.0%	-11.86%	57,921,556	3.0%	3.0%	-1.22%	59,077,593	3.0%	3.0%	-0.22%	-13.89%	26.04%	11.58%	14.15%
LSV	53,170,321	2.9%	3.0%	-5.00%	54,418,004	3.0%	3.0%	-12.11%	53,932,402	2.8%	3.0%	-5.91%	57,089,031	2.9%	3.0%	-3.24%	-23.98%	29.94%	8.07%	N/A
Bank of Ireland	-	0.0%	1.0%	N/A	18,235	0.0%	1.0%	-16.79%	17,375,294	0.9%	1.0%	-7.97%	18,800,725	1.0%	1.0%	-4.47%	N/A	25.29%	N/A	N/A
Total Large Cap - Active	110,361,590	6.1%	7.0%	-2.93%	108,278,849	5.9%	7.0%	-12.22%	129,229,251	6.7%	7.0%	-4.14%	134,967,349	6.9%	7.0%	-2.12%	-20.05%	27.58%	9.04%	13.03%
MSCI EAFE - 50% Hedged				-1.47%				-12.04%				-2.19%				0.11%	-15.14%	26.94%	10.93%	14.67%
Small Cap - Active																				
Lazard	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	5,579	0.0%	0.0%	-26.48%	18,220,097	0.9%	1.0%	-3.52%	N/A	24.18%	N/A	N/A
DFA	18,126,426	1.0%	1.0%	-5.13%	18,617,920	1.0%	1.0%	-3.63%	16,650,358	0.9%	1.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Wellington	18,676,343	1.0%	1.0%	-2.30%	18,614,594	1.0%	1.0%	-8.24%	16,655,878	1.0%	1.0%	-4.44%	19,441,255	1.0%	1.0%	-1.00%	-15.19%	26.62%	9.83%	16.11%
Total Small Cap - Active	36,802,769	2.0%	2.0%	-3.72%	37,232,514	2.0%	2.0%	-5.94%	35,311,816	1.8%	2.0%	-4.68%	37,661,352	1.9%	2.0%	-2.23%	-15.60%	25.39%	9.53%	16.89%
S&P/Citigroup BMI EPAC < \$2BN				-6.52%				-7.41%				-5.94%				-0.66%	-19.12%	28.60%	10.36%	19.26%
TOTAL INTERNATIONAL EQUITY	165,672,936	9.1%	10.0%	-2.90%	163,727,776	9.0%	10.0%	-10.67%	183,371,918	9.5%	10.0%	-4.28%	192,263,725	9.8%	10.0%	-1.80%	-18.47%	27.21%	9.51%	13.93%
MSCI EAFE - 50% Hedged				-1.47%				-12.04%				-2.19%				0.11%	-15.14%	26.94%	10.93%	14.67%
EMERGING MARKETS EQUITY																				
Core																				
JP Morgan	14,334,009	0.8%	0.9%	-1.34%	14,472,429	0.8%	0.9%	-11.10%	20,728,286	1.1%	0.9%	5.72%	21,771,208	1.1%	0.9%	11.71%	3.57%	46.07%	N/A	N/A
PanAgora	14,746,948	0.8%	0.9%	2.27%	14,335,190	0.8%	0.9%	-12.20%	20,227,366	1.0%	0.9%	3.21%	21,764,487	1.1%	0.9%	15.67%	7.21%	46.34%	N/A	N/A
WestLB	15,237,572	0.8%	0.9%	1.32%	14,952,480	0.8%	0.9%	-9.78%	20,505,453	1.1%	0.9%	5.94%	21,648,976	1.1%	0.9%	14.73%	11.12%	42.11%	N/A	N/A
UBS	22,537,837	1.2%	1.5%	0.49%	26,512,719	1.4%	1.5%	-12.87%	30,226,171	1.6%	1.5%	5.26%	38,016,766	1.9%	1.5%	14.81%	5.82%	42.04%	N/A	N/A
Total Core	66,856,365	3.7%	4.1%	0.65%	70,272,818	3.8%	4.1%	-11.59%	91,687,277	4.7%	4.1%	5.07%	103,201,437	5.3%	4.1%	14.30%	6.87%	43.90%	27.76%	29.00%
MSCI Emerging Markets				-0.80%				-10.92%				3.66%				14.52%	4.89%	45.45%	27.52%	22.84%
Small Cap																				
DFA	14,768,973	0.8%	1.0%	-6.73%	15,764,011	0.9%	1.0%	-13.83%	20,105,406	1.0%	1.0%	0.03%	22,865,426	1.2%	1.0%	7.37%	-13.68%	68.14%	N/A	N/A
MSCI Emerging Markets				-0.80%				-10.92%				3.66%				14.52%	4.89%	45.45%		
Private Equity																				
Capital International	5,247,830	0.3%	0.3%	2.72%	4,593,405	0.3%	0.3%	-5.38%	2,233,817	0.1%	0.1%	-5.35%	863,801	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets																				
TOTAL EMERGING MARKETS EQUITY	86,873,169	4.8%	5.0%	-0.50%	90,630,234	5.0%	5.0%	-11.84%	114,026,499	5.9%	5.0%	4.12%	126,930,664	6.5%	5.0%	12.77%	2.99%	48.23%	27.07%	28.58%
MSCI Emerging Markets				-0.80%				-10.92%				3.66%				14.52%	4.89%	45.45%		30.15%

**ND PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008**

	June-08				March-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Fiscal YTD	FY07	6/30/2008	6/30/2008
DOMESTIC FIXED INCOME																				
Core Bond																				
Western Asset	34,658,273	1.9%	1.9%	-1.48%	42,832,404	2.3%	1.9%	-1.65%	46,677,796	2.4%	2.1%	0.80%	51,993,342	2.6%	2.6%	2.07%	-0.30%	7.00%	1.78%	2.90%
Lehman Aggregate				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%	4.09%	3.86%
Index																				
Bank of ND	59,472,008	3.3%	3.2%	-1.63%	68,919,279	3.8%	3.2%	2.71%	95,796,111	4.9%	6.0%	3.34%	93,523,911	4.8%	6.0%	3.15%	7.70%	5.69%	3.93%	3.57%
Total Index	59,472,008	3.3%	3.2%	-1.63%	68,919,279	3.8%	3.2%	2.71%	95,796,111	4.9%	6.0%	3.34%	93,523,911	4.8%	6.0%	3.15%	7.70%	5.69%	4.17%	3.91%
Lehman Gov/Credit				-1.51%				2.53%				3.10%				3.01%	7.24%	6.00%	3.84%	3.58%
Enhanced																				
Westridge	31,654,313	1.7%	1.6%		31,974,377	1.7%	1.6%		-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate																				
Convertibles																				
Calamos (2)	36,272,481	2.0%	1.9%	1.53%	41,145,355	2.2%	1.9%	-7.44%	45,643,271	2.4%	2.1%	-0.08%	55,288,986	2.8%	2.6%	3.45%	-2.86%	N/A	N/A	N/A
Total Convertibles	36,272,481	2.0%	1.9%	1.53%	41,145,355	2.2%	1.9%	-7.44%	45,643,271	2.4%	2.1%	-0.08%	55,288,986	2.8%	2.6%	3.45%	-2.86%	12.55%	4.55%	2.71%
Merrill Lynch All Convertibles (3)				1.52%				-5.61%				-3.25%				1.01%	-6.36%	15.38%	5.72%	6.36%
BBB Average Quality																				
Wells Capital	43,930,154	2.4%	1.9%	-0.29%	47,126,536	2.6%	1.9%	0.49%	46,777,791	2.4%	2.1%	1.86%	51,594,550	2.6%	2.6%	1.60%	3.70%	9.12%	3.26%	4.56%
Lehman BBB				0.11%				-1.05%				1.90%				1.67%	2.62%	7.54%	2.52%	3.44%
Private Debt																				
Prudential	34,879,626	1.9%	1.9%	-1.29%	43,938,428	2.4%	1.9%	0.78%	48,731,225	2.5%	2.1%	1.96%	49,717,797	2.5%	2.6%	1.87%	3.32%	7.16%	3.41%	N/A
Lehman Aggregate				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%		
Timberland																				
TIR - Teredo (4)	44,512,249	2.5%	2.5%	1.20%	44,779,192	2.4%	2.4%	5.03%	44,131,287	2.3%	2.3%	14.96%	40,309,999	2.1%	2.1%	-0.14%	22.02%	26.95%	15.15%	14.07%
TIR - Springbank	98,777,599	5.4%	5.4%	-1.14%	99,915,985	5.5%	5.5%	18.05%	84,023,813	4.3%	4.3%	-0.82%	85,328,633	4.3%	4.3%	-0.43%	15.25%	26.90%	18.41%	N/A
Total Timberland	143,289,849	7.9%	7.9%	-0.41%	144,695,177	7.9%	7.9%	13.56%	128,155,100	6.6%	6.6%	4.24%	125,638,632	6.4%	6.4%	-0.34%	17.50%	27.33%	17.86%	21.14%
NCREIF Timberland Index				1.01%				4.50%				9.38%				3.90%	19.96%	11.89%	17.12%	14.70%
Infrastructure																				
JP Morgan	67,526,480	3.7%	3.7%	6.64%	63,813,941	3.5%	3.5%	6.54%	59,948,626	3.1%	3.1%	0.29%	21,117,739	1.1%	1.1%	-0.58%	13.28%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	451,683,184	24.9%	24.0%	0.40%	484,445,498	26.5%	24.0%	4.47%	471,729,920	24.3%	24.0%	2.32%	448,874,956	22.8%	24.0%	1.57%	9.02%	12.52%	8.15%	9.65%
Lehman Aggregate				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%	4.09%	3.86%
HIGH YIELD BONDS																				
Core																				
Loomis Sayles	46,656,434	2.6%	2.1%	2.78%	45,348,383	2.5%	2.2%	-3.55%	47,017,513	2.4%	2.3%	-0.92%	46,972,795	2.4%	2.4%	0.36%	-1.43%	13.37%	5.39%	N/A
Sutter/Wells Capital	41,091,175	2.3%	2.1%	8.90%	37,689,736	2.1%	2.2%	-10.55%	41,783,739	2.2%	2.3%	-0.30%	43,852,880	2.2%	2.4%	-3.34%	-6.12%	9.82%	2.58%	N/A
Total Core	87,747,609	4.8%	4.1%	5.56%	83,038,119	4.5%	4.4%	-6.85%	88,801,252	4.6%	4.6%	-0.62%	90,825,674	4.6%	4.7%	-1.46%	-3.71%	11.59%	4.01%	4.88%
LB High Yield 2% Issuer Constrained Index				1.95%				-2.97%				-1.07%				0.40%	-1.75%	11.22%	4.48%	N/A
Mezzanine Debt																				
Goldman Sachs 2006 Fund	2,686,772	0.1%	0.1%	-3.58%	2,374,298	0.1%	0.1%	-1.13%	2,127,102	0.1%	0.1%	1.47%	2,102,638	0.1%	0.1%	-0.64%	-3.89%	7.39%	N/A	N/A
Goldman Sachs Fund V	3,011,965	0.2%	0.2%	-1.97%	1,710,035	0.1%	0.1%	-0.48%	1,718,297	0.1%	0.1%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
TCW	3,955,319	0.2%	0.2%	9.70%	2,605,125	0.1%	0.1%	0.21%	3,529,577	0.2%	0.2%	0.54%	3,225,476	0.2%	0.2%	-2.96%	7.26%	N/A	N/A	N/A
Total Mezzanine Debt	9,654,055	0.5%	0.5%	2.29%	6,689,458	0.4%	0.4%	-0.45%	7,374,976	0.4%	0.4%	0.78%	5,328,114	0.3%	0.3%	-2.08%	0.49%	7.39%	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				1.95%				-2.97%				-1.07%				0.40%	-1.75%	11.22%		
Distressed Mortgages																				
PIMCO	5,074,673	0.3%	0.3%	-15.21%	4,130,263	0.2%	0.2%	2.41%	1,227,355	0.1%	0.1%	0.00%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Declaration Management	1,498,873	0.1%	0.1%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Distressed Mortgages	6,573,545	0.4%	0.4%	-15.21%	4,130,263	0.2%	0.2%	2.41%	1,227,355	0.1%	0.1%	0.00%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
LB High Yield 2% Issuer Constrained Index				1.95%				-2.97%				-1.07%								
TOTAL HIGH YIELD BONDS	103,975,210	5.7%	5.0%	4.12%	93,857,840	5.1%	5.0%	-6.21%	97,403,582	5.0%	5.0%	-0.45%	96,153,788	4.9%	5.0%	-1.53%	-4.27%	11.62%	3.82%	6.32%
LB High Yield 2% Issuer Constrained Index				1.95%				-2.97%				-1.07%				0.40%	-1.75%	11.22%	4.48%	6.88%
INTERNATIONAL FIXED INCOME																				
International Sovereign																				
UBS Global (Brinson)	44,184,915	2.4%	2.5%	-4.28%	50,313,729	2.8%	2.5%	10.26%	45,420,653	2.3%	2.5%	3.33%	44,305,640	2.3%	2.5%	7.50%	17.24%	0.21%	5.56%	6.49%
Citigroup Non-US Gov't Bond Index (5)				-4.72%				10.93%				3.91%				8.10%	18.73%	2.22%	6.63%	7.04%
International Core																				
Brandywine	46,679,797	2.6%	2.5%	0.17%	48,607,610	2.7%	2.5%	1.89%	47,494,694	2.5%	2.5%	2.61%	45,943,422	2.3%	2.5%	5.78%	10.78%	6.63%	7.06%	8.51%
Lehman Global Aggregate (ex-US)				-3.95%				9.32%				3.38%				7.35%	16.53%	3.78%	7.88%	7.38%
TOTAL INTERNATIONAL FIXED INCOME	90,864,712	5.0%	5.0%	-2.10%	98,921,339	5.4%	5.0%	5.98%	92,915,347	4.8%	5.0%	2.96%	90,249,063	4.6%	5.0%	6.62%	13.90%	3.41%	6.31%	7.50%
Citigroup Non-US Gov't Bond Index (5)				-4.72%				10.93%				3.91%				8.10%	18.73%	2.22%	6.66%	7.06%
REAL ESTATE																				
INVESCO - Core	52,112,656			1.80%	51,548,313			1.22%	52,356,996			2.04%	51,589,416			2.98%	8.27%	14.44%	15.34%	14.88%
INVESCO - Fund II	1,152,805			-10.66%	1,483,492			-14.90%	1,718,504			N/A	-			N/A	N/A	N/A	N/A	N/A
J.P. Morgan Strategic & Special Funds	54,638,726			1.06%	54,744,782			-1.54%	54,336,275			2.23%	53,427,479			3.91%	5.69%	19.72%	15.27%	15.26%
J.P. Morgan Alternative Property Fund	13,143,171			4.39%	12,555,050			-0.22%	12,376,422			-0.10%	12,210,061			0.52%	4.59%	6.70%	N/A	N/A
J.P. Morgan Greater China Property Fund	1,257,516				850,104				-			N/A	-			N/A	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	122,304,874	6.7%	5.0%	1.61%	121,181,741	6.6%	5.0%	-0.42%	120,788,198	6.2%	5.0%	1.87%	117,226,956	6.0%	5.0%	3.14%	6.31%	15.47%	14.44%	14.53%
NCREIF TOTAL INDEX				0.56%				1.60%				3.21%				3.56%	9.20%	17.24%	14.82%	14.63%

**ND PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008**

	June-08				March-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Net ROR	6/30/2008	6/30/2008	
	Market Value	Actual	Policy		Market Value	Actual	Policy		Market Value	Actual	Policy		Market Value	Actual	Policy					Market Value
ALTERNATIVE INVESTMENTS																				
Brinson IVCF II	5,751		0.00%	5,751		0.00%	95,751		19.90%	79,860		0.00%	19.90%	31.73%	24.67%	18.47%				
Coral Partners II	13,582		-40.74%	69,778		-30.27%	100,077		0.09%	99,987		0.15%	-58.58%	-0.22%	-24.59%	-13.12%				
Coral Partners V	4,185,520		14.16%	3,666,254		-1.62%	3,726,637		-1.64%	3,314,698		-1.25%	9.09%	-1.78%	5.22%	-8.23%				
Coral Partners V - Supplemental	442,328		0.21%	441,414		-0.99%	445,838		-5.29%	473,983		-0.33%	-6.34%	8.49%	3.94%	6.41%				
Coral Momentum Fund (Formerly Fund VI)	7,381,368		-9.05%	8,115,668		-9.16%	8,934,231		-4.08%	9,378,687		43.80%	13.96%	-16.26%	-3.63%	-7.09%				
Brinson 1998 Partnership Fund	496,726		-8.70%	544,061		2.44%	845,082		7.53%	821,163		6.31%	6.92%	31.02%	17.74%	16.40%				
Brinson 1999 Partnership Fund	1,499,803		-0.67%	1,729,671		2.93%	1,680,514		1.84%	2,131,718		8.83%	13.32%	19.95%	15.81%	14.25%				
Brinson 2000 Partnership Fund	5,032,225		-1.47%	5,107,264		5.90%	6,240,627		3.81%	6,053,208		12.46%	21.82%	13.52%	21.03%	17.78%				
Brinson 2001 Partnership Fund	4,234,136		-2.22%	4,655,805		2.78%	4,530,058		-5.15%	4,809,348		7.25%	2.23%	15.81%	12.37%	9.49%				
Brinson 2002 Partnership Fund	2,302,550		0.24%	2,297,031		-2.77%	2,362,397		-1.75%	2,717,460		7.77%	3.20%	11.10%	14.93%	10.72%				
Brinson 2003 Partnership Fund	788,645		-3.70%	780,851		-5.49%	887,676		5.07%	850,682		-2.14%	-6.42%	34.38%	16.42%	8.89%				
Total Brinson Partnership Funds	14,354,084		-1.21%	15,114,684		2.95%	16,546,355		2.94%	17,383,580		8.74%	13.85%	16.34%	17.75%	14.80%				
Brinson 1999 Non-US Partnership Fund	711,820		-0.48%	715,286		7.30%	806,566		-0.20%	813,786		-15.34%	-9.78%	111.26%	38.86%	33.76%				
Brinson 2000 Non-US Partnership Fund	1,725,923		-1.62%	1,754,395		13.94%	2,208,191		3.76%	2,142,840		9.22%	27.03%	55.10%	38.56%	28.82%				
Brinson 2001 Non-US Partnership Fund	1,166,148		5.56%	1,253,023		-5.09%	1,468,475		4.45%	1,684,440		8.40%	13.44%	7.81%	15.89%	14.66%				
Brinson 2002 Non-US Partnership Fund	3,115,716		4.81%	2,972,816		-5.07%	3,258,815		4.69%	3,374,692		9.52%	14.08%	88.98%	43.86%	31.81%				
Brinson 2003 Non-US Partnership Fund	2,530,347		-5.71%	2,683,442		15.64%	2,906,341		8.33%	2,701,365		5.76%	24.92%	76.59%	42.47%	23.29%				
Brinson 2004 Non-US Partnership Fund	1,214,930		2.26%	1,151,486		12.84%	1,167,005		3.79%	1,132,201		7.85%	29.16%	23.98%	25.88%	N/A				
Total Brinson Non-US Partnership Fund	10,464,884		0.86%	10,530,447		5.74%	11,815,392		5.05%	11,849,325		6.06%	18.83%	62.33%	37.12%	28.34%				
Adams Street 2008 Non-US Partnership Fd	163,470		0.00%	80,641		N/A	-		N/A	-		N/A	N/A	N/A	N/A	N/A				
Brinson BVCF IV	7,474,420		-26.08%	10,111,214		15.47%	8,990,158		4.45%	8,668,614		9.99%	-1.94%	-3.23%	7.62%	9.88%				
Adams Street Direct Co-investment Fund	7,738,279		-1.32%	7,842,228		0.00%	7,206,893		5.57%	4,636,303		-0.11%	4.06%	N/A	N/A	N/A				
Matlin Patterson Global Opportunities	3,829,421		-12.84%	4,393,325		15.07%	3,817,834		76.23%	2,181,492		-60.15%	-29.56%	10.95%	-11.62%	9.60%				
Matlin Patterson Global Opportunities II	16,251,400		-3.67%	16,869,681		-2.01%	16,865,311		-0.54%	15,601,686		0.61%	-5.55%	37.09%	8.69%	N/A				
Matlin Patterson Global Opportunities III	8,048,246		0.15%	3,835,583		-2.39%	1,774,581		-2.74%	1,837,223		-15.88%	-20.02%	N/A	N/A	N/A				
InvestAmerica	3,860,847		27.85%	3,019,837		-15.93%	3,592,017		0.00%	3,616,949		18.49%	27.36%	13.96%	13.22%	1.67%				
Hearthstone MSII	41,712		-62.11%	110,096		0.00%	36,699		0.27%	0		0.00%	-62.01%	-95.85%	-100.00%	-100.00%				
Hearthstone MSIII	725,911		-40.46%	1,219,158		24.63%	1,272,032		1.16%	1,721,773		18.89%	-10.75%	208.65%	63.82%	N/A				
Corsair III	6,828,778		49.66%	5,059,573		-3.42%	4,784,061		-1.20%	1,785,265		14.87%	64.04%	N/A	N/A	N/A				
Corsair III - ND Investors LLC	4,887,353		0.00%	1,221,838		N/A	-		N/A	-		N/A	N/A	N/A	N/A	N/A				
Quantum Resources	1,309,059		-45.76%	2,058,328		0.00%	2,058,334		-4.10%	1,777,508		-8.56%	-52.44%	N/A	N/A	N/A				
Quantum Energy Partners	1,228,309		12.81%	936,157		0.00%	936,160		4.30%	903,807		-17.70%	-3.17%	N/A	N/A	N/A				
TOTAL ALTERNATIVE INVESTMENTS (6)	99,234,722	5.5%	5.0%	-2.51%	94,701,656	5.2%	5.0%	1.18%	92,998,362	4.8%	5.0%	2.49%	85,310,740	4.3%	5.0%	3.37%	10.42%			
CASH EQUIVALENTS																				
Northern Trust STIF/STEP	9,814,109	0.5%	1.0%	0.99%	11,146,715	0.6%	1.0%	-1.37%	20,142,525	1.0%	1.0%	0.38%	26,823,346	1.4%	1.0%	0.72%	2.76%			
90 Day T-Bill				0.31%				0.88%				1.05%	1.34%	3.63%	5.21%	4.27%	3.18%			
TOTAL FUND	1,813,030,187	100.0%	100.0%	-0.47%	1,828,780,774	100.0%	100.0%	-5.21%	1,937,745,513	100.0%	100.0%	-1.24%	1,965,396,514	100.0%	100.0%	1.32%	10.85%			
POLICY TARGET BENCHMARK																				
				-1.28%				-4.57%				-0.30%	2.55%	-3.69%	16.45%	7.27%	9.38%			

**NOTE: Monthly returns and market values are preliminary and subject to change.**

- (1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.
- (2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.
- (3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.
- (4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.
- (5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.
- (6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.